

Translation of a letter dated 27th March 1986  
From Hans Karl Hach, Patent attorney  
To Fabriques de Tabac Reunies SA  
Re Appeal proceedings No 32 W (pat) 12/85  
German patent No P 3 011 959  
Title: Cigarette filter  
Filing date: 27th March 1980  
Priority date: 11th April 1979  
Applicants: Brown & Williamson  
Short title: Barclay-Tip

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Dear Dr Gaisch and Mr Mandiratta

In the course of preparing for the Hearing on this matter, I have again thoroughly reviewed the relevant documents which I have accumulated here as the years have gone by. In dealing with that, I have come across some facts and arguments which I could take into consideration when I was drafting the pleadings. (For example the argument relating to DE-OS No 20 48 432 and the absence of 'porous', in regard to priority).

As those facts and the arguments which are based thereon are scattered around in the documents and can be overlooked, and on the other hand may be useful in regard to action on corresponding foreign protection rights, subsequent infringement rights and improper advertising statements, I have put them together in the enclosure in such a way that they can be readily reviewed, in a catchword-like manner.

I am assuming in that respect that the experts and attorneys in your company who are also heavily involved with this matter can understand my catchwords. If questions arise in that respect, please let me know.

I hope that my report which is obviously drawn up from the point of view of our legal system and philosophy, will be useful to you.

You were of course present at the Hearing and I am grateful to you for having allowed me time for drafting my report so that I was able to take a short vacation. The report drafted by Dr Gaisch does in fact set out the essential considerations, and I would also like to refer thereto.

At the Hearing, the presiding judge set forth a modified claim and urged Mr Kinkeldey, patent attorney acting on behalf of the patentees, to make that claim the subject-matter of his petition. In that connection Mr Kinkeldey was in a poor position because he had not clearly drafted

his claim in the preliminary correspondence, and had only put forward alternatives. That reproach was also put to him.

In regard to that claim, the presiding judge gave us to understand from the point of view of the Tribunal that the requirement for disclosure was met in that respect.

The presiding judge then broke off the proceedings, as he envisaged them, and stated that, as state of the art, he first wanted to see a discussion on DE-OS No 21 07 850, in conjunction with US No 3 490 461. He further told us that the aspects of statement of problem, state of the art and inventive step were to be discussed in that order.

That was then done, still with the presiding judge holding strict control over the proceedings.

It already turned out in discussing the underlying problem of the invention that the Court does not consider that the problem which leads to the eddy effect and the radial depth of the grooves is supported by the original disclosure. That really cut the ground away from under Mr Kinkeldey, in regard to his submissions in support of inventive step (with a surprising effect in regard to taste, caused by turbulence).

The presiding judge then also advised Mr Kinkeldey that the surprising effect which he asserts cannot replace inventive step. In that connection, Mr Kinkeldey was requested by the presiding judge, in fairly sharp terms (and on the spot, which in fact is not really possible) to quote Court judgments in support of his view.

The two citations as prior art, to which the presiding judge referred, were then discussed individually as state of the art. The presiding judge cut off any further discussion (which in fact is only reasonable if the publications being discussed are already sufficient for showing invalidity). Mr Kinkeldey could not persuasively refute the fact that the filter cigarette in accordance with the application results from the combination of Figure 1 and Figure 8 of US No 3 490 461 with reference 31 and the points set forth in that specification at column 4, lines 32 to 32 and column 5, lines 27 to 30 and in particular column 9, lines 4 to 12, as I quoted. However, Mr Kinkeldey insisted on his submission that a surprising effect is achieved, which substantiates inventive step,

and for that purpose succeeded in having films shown, to demonstrate the surprising effect. The four (!) experts accompanying him - see the record of the Hearing - also spoke very shortly thereon.

I do not understand that strategy on his part, for in order to demonstrate patentability, he must prove in his line of argument that:

1. the effect he asserts occurs,
2. that effect is surprising, and
3. (contrary to the view expressed by the presiding judge), that surprising effect substantiates inventive step.

It quickly became apparent at the Hearing that the presiding judge was not prepared to go along with that on points 2. and 3. above.

In discussing the underlying problem of the invention, the presiding judge referred to the good workability - see column 1, lines 64 and 65 of the patent specification - , with the comment that therein lies a problem which, as he gave us to understand, is disclosed. I did not understand why Mr Kinkeldey, instead of referring to the surprising effect to substantiate inventive step, which to my mind gave no prospect of success, did not seek to substantiate inventive step on the basis of good workability by 'simply pressing in the ducts in the filter which is already encased with the cover sheet'. If he had done that, he would at any event have had better arguments against the above-quoted state of the art to which the presiding judge referred. Mr Kinkeldey did not attempt to argue along those lines, and I would like to observe here that such a line of argument should be considered in regard to B&W protection rights which are still in existence (for example Swiss patent No 645 252), and later protection rights.

The Hearing was interrupted on a number of occasions. After the last interruption, the presiding judge told us that the Tribunal will take a decision on the merits of the case, in regard to which, aspects which were identified in detail (I cannot at this stage recall the precise way in which the presiding judge put these matters) were no longer matters of relevance. That was quite evidently intended to bring the Hearing to a close.

We, the opponents, could more readily accept that as everything indicated to us that the Tribunal is deciding on rejection of the appeal

We had and have just the problem that the grounds on which the appeal is rejected give rise to some right of appeal, and we put forward comments in that respect. Mr Kinkeldey stated that he knows what is in store for him in the way of a decision, and went along therewith.

I do not understand why he tolerated the presiding judge conducting the proceedings in that fashion. I for my part, during the Hearing and at the latest when the presiding judge wanted to bring the Hearing to a close, would have expressed my concern on the point of bias, and I would have put forward the appropriate petitions in that respect. Mr Kinkeldey had nothing more to lose in that connection, and all that he had to gain was another Tribunal dealing with the matter.

Matters turned out favourably from our point of view, so favourably that I did not have to put forward the large number of additional, and in my view highly relevant arguments which I still had available to direct against the patent.

I shall receive the grounds of decision in about one to two months, and I shall send them to you as soon as they are received.

The decision is legally binding unless it is appealed from, on a point of law. Appeal on a point of law is permitted only under closely defined circumstances which in my view cannot arise here, but no one can prevent the patentees from trying to lodge such an appeal, and ultimately the patentees can also appeal to the Constitutional Court - all being courses of action which in my view offer no prospect of success and which only possibly delay the decision becoming finally effective.

However I would not like to exclude the possibility of the other side making attempts at action in that respect.

Yours sincerely

Enclosures:

1. Record of the Hearing of 11 th March 1986
2. Case note with facts and arguments
3. Claim put forward by the presiding judge at the Hearing
4. Documentation relating to the films